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25 August 2014

Chairman Tom Wheeler Federal Communications Commission

Dear Chairman Wheeler:

Chicana Latina Foundation is writing to respectfully urge you and your colleagues at the Federal Communications Commission (FCC) to secure a public benefit from the proposed Comcast acquisition of Time Warner Cable (TWC) and trade of service territory with Charter Communications in the form of the 5 Recommendations below to ensure acceptable performance on the Comcast affordable offer called Internet Essentials (CIE):

- 1. Include All Low-Income Households
- 2. Set Performance Goals
- 3. Capitalize an Independent Fund and Coordinate with States
- 4. Establish an Advisory Oversight Committee
- 5. Offer Stand-Alone Internet Service

There are a significant number of issues at stake for California with this corporate consolidation and there must be a public benefit for California consumers, given the magnitude of the market share controlled by Comcast if approved – for example, 87% of all California students on free-or-reduced lunch will reside in Comcast service areas. Although CIE has a laudatory price-point, there is ample evidence of all the problems that have plagued the subscription process, resulting in just 11% of the eligible population being signed up during the last 3 years.

The future educational and economic well-being of California is directly linked to the success of our growing Latino population. We have partnered with Latino Community Foundation to launch the "Get Latinos Connected" campaign to help connect low-income Latino families to low cost Internet and hardware options. It has been our experience that Comcast has not reached into these communities as evidenced by the fact that the first time they hear about Internet Essentials is through our presentations. Over and over again we have had to intervene for our clients after they have been unsuccessful in their dealings with Comcast agents. Our experience has been that it depends on which Comcast agent you get on the phone whether the

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client will be successful in signing up or not. For example Comcast agents repeatedly say they do not know what an auto-qualified school is; they have run credit reports when it is not a requirement for sign-up. Comcast agents repeatedly send information in English to Spanish speakers. All these experiences lead us to be very concerned about the future of this program going forward. What kind of system has Comcast set up to track all these families? They are not asking for children's name any more and since agents do not know what an auto-qualified schools is how will Comcast track eligibility for these families as the children progress from elementary school to junior high to high school. Our organization and other partners have voiced frequent complaints to Comcast on the CIE subscription sign up process. They have promised on-line applications which have not worked since the beginning of the program.

We have promoted the Comcast Internet Essentials offer far and wide, regardless of the barriers in place. We strongly believe that any success this program has had is due in large part to our work and the work of other community based organizations.

Today, statewide broadband adoption at home in California is at 75%, leaving 25% of the population farther and farther behind. There must be an affordable broadband rate widely available to the nearly 10 million Californians who remain offline, especially students who live in low-income neighborhoods and attend low-performing schools. These students must have a better opportunity to learn and become productive members of society if California is going to be globally competitive.

We note that the California PUC in its Comcast –TWC merger docket, Application No. (A.) 14-04-013, will be exploring the issue also, according to its Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judge: "How would the Merger benefit California consumers? For example, will the merger benefit low income outreach and adoption of broadband services that are accessible, affordable, and equitable in a manner that is enforceable and will help close the digital divide? Will the merger help educate consumers on using computers and the internet when service is provided? Will the merged entity offer standalone internet access and make sure consumers are aware of this offer?" We recommend the FCC accept data from the CPUC's merger docket on this point.

¹ Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge, in re Joint Application of Comcast Corp., Time Warner Cable Inc., Time Warner Cable Information Services (California), LLC and Bright House Networks Information Services (California), LLC for Expedited Approval for the Transfer of Control of Time Warner Cable Information Services (California), LLC (U6874C); and the Pro Forma Transfer of Control of Bright House Networks Information Services (California), LLC (U6955C), to Comcast Corp. Pursuant to California Public Utilities Code Section 854(a), in A. 14-04-013 (filed Apr. 11, 2014), at 13 ("CPUC Scoping Memo").

Should the FCC decide to approve this merger transaction, CETF respectfully requests that the FCC take this opportunity to order Comcast to greatly improve its program, and to be accountable for delivering a functional, results-driven program with measurable goals showing a real public benefit to low-income persons in its service areas.

In short, the FCC should take a more active oversight role in ensuring that the benefits of this program are delivered to low-income families in a more meaningful way. Absent specific performance goals, it is our experience that Comcast has failed to put enough outreach staff, advertising and operational resources on the program to deliver adequate levels of performance.

Sincerely,

Olga Talamante Executive Director

cc: Commissioner Mignon Clyburn

Commissioner Jessica Rosenworcel

Commissioner Ajit Pai

Commissioner Michael O'Rielly